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FOR IMMEDIATE RELEASE

CHARGES FOR PAPER TELEPHONE BILLS DRAWS ATTENTION OF PSC

LINCOLN – Members of the Nebraska Public Service Commission are questioning the decision by a Nebraska telephone company to charge a monthly fee to customers who receive phone bills by mail rather than email.

MCI, a long distance company, notified the Commission that it would begin assessing a 99-cent fee for interstate services on the monthly bills beginning May 1, 2005.

In this case, the additional monthly fees would be waived if a customer agrees to be billed using the Internet.

Commissioner Frank Landis of Lincoln said at a recent meeting of the Commission, "Are we treating all customers fairly or are the more affluent customers who have a computer and are on the Internet gaining special considerations? Are they favoring one class of customer over another?"

Commissioner Anne Boyle of Omaha noted that the cost of billing customers for services rendered is part of the cost of doing business. "I realize that MCI is trying to save or make money. In this case, lowering the rate for those who choose Internet billing makes sense as the company's costs are less. However, imposing an increase on those who have caused no additional costs is making money at the expense of a target audience, which is those who do not or cannot use the Internet."

Boyle said, with respect to the MCI charge, the Commission is pre-empted by the Federal Communications Commission (FCC) from intervening on rates assessed for services that go beyond Nebraska's borders. It would require only the billing of one interstate telephone call on an MCI billing to trigger the new paper charge.

As with Landis, Boyle questioned the decision by the company to give preference to Internet users. "Those who do not have Internet service should not incur expenses that are the normal cost of doing business while those who use the Internet not only are exempt from the charge but are eligible for additional discounts as well," Boyle said. She noted that many Nebraskans do not have Internet service and could not qualify for a waiver of the paper bill fee. Since the Commission has no authority over interstate charges, Boyle encouraged customers with concerns about paper bill charges to contact their local and long distance providers, the FCC and their members of Congress.

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